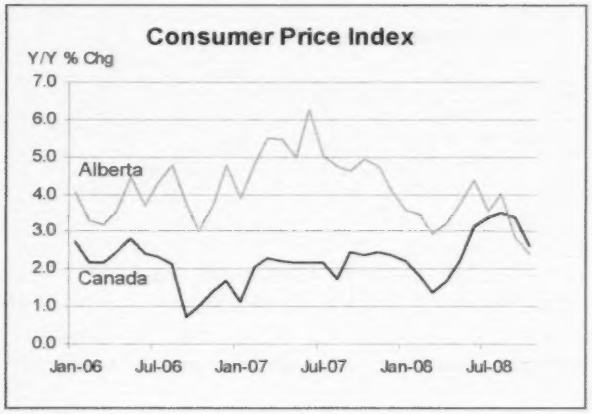
Consumer Price Index

Inflation continued to ease...

Inflation in Alberta moderated to 2.4% in October, down from 2.8% in September. Natural gas (-7.5%), clothing (-1.9%), and new vehicle prices (-10.2%) led the decline. Nationally, inflation declined 1% from the previous month, its largest one-month decline since 1959, moderating to 2.6% year-over-year. Core inflation was 1.7% for Canada and 1.3% in Alberta.



In October, U.S. consumer inflation had its largest one month decline (1 percentage point) bringing inflation down to 3.7%. Producer prices fell 2.8 percetages points, their largest monthly decline on record, to 5.2%.

Wholesale Trade

Wholesale trade weakened in Alberta...

After increases in July and August, wholesale sales declined 1.9% in September on a month-over-month basis. Nationally, sales rose 1.5% from the previous month on a strong automotive sector.

Wage Settlements

Wage settlements moderated in Alberta...

In the third quater (July to September), Alberta had the highest concentration of contracts (30.8%) and wage settlements averaged 5.3%, well above the quarterly national average of 4.0%. There are now signs that wage settlements are slowing. In September, Alberta wage settlements averaged 4.5%.

Cdn Dollar (US¢/CS)		
↓	November 21, 2008	77.80
	November 14, 2008	81.65
	2008-09 YTD	94.50
WTI Oil US$/bbl		
↓	November 20, 2008	$ 49.62
	November 13, 2008	$ 58.24
	2008-09 YTD	$109.58
Nymex Natural Gas CS/MMBtu *		
↑	**December Contract**	
	November 21, 2008	$ 8.28
	November 14, 2008	$ 7.76

*Estimate based on Nymex Futures Market Price

Quarterly Financial Results

Canadian third quarter profits rose...

Operating profits earned by Canadian companies rose 7.6% from the second quarter to $77.3 billion. 13 of 22 industry groups had higher operating profits led by oil and gas extractors with $11.2 billion (+15.1%). Net profits, however, have declined 1.1% from the second quarter suggesting leaner times ahead.

U.S. Housing Market

U.S. housing market woes...

U.S. housing starts fell for the fourth consecutive month in October reaching their lowest level on record. A 12% plunge in new building permits, also to an all-time low, suggests weakness in the U.S. housing market will continue.

Financial Markets

A bad week....

This week financial markets continued to deteriorate with the TSX down nearly 14% as of noon Friday. Markets were pushed down by falling oil prices, a deteriorating global economic outlook, and a rising U.S. dollar. Oil is now trading at the lowest level in 3½ years, closing at US$49.62 on Thursday.